

Notice of Public Hearing

Notice is hereby given that a public hearing will be held at the offices of the Arkansas Development Finance Authority (ADFA), 423 Main Street, Suite 500, Little Rock, Arkansas 72201, at 9:00 a.m., Friday, August 20, 2004, to discuss Significant Changes to the ADFA HomeToOwn Program.

Summary of Significant Changes ADFA HomeToOwn Mortgage Bond Program

- Rate Changes may occur weekly for our lenders on Monday evening if the market rate changes are excessive and not close to ADFA's rate.
- Added information on Manufactured Housing Rules to be inclusive of HUD Regulations.
- Expansion of the Mortgage Loan Assumption section to explain "recapture" and how assumptions re-start the 9 years recapture period with current documents used and current Income Limits per county.
- Addition of American Dream Downpayment Initiative (ADDI)/HOME Program (forgivable loan.)
- Document changes made to many documents since being placed online into fillable forms through the Internet Reservation System.
- Insurance change required due to allowable home deductibles for homeowners.
- Changing the name of the Master Servicer from The Leader Mortgage Company to U.S. Bank N.A.

Any persons interested may appear at the public hearing at 9:00 a.m. on the 20th day of August, 2004, and be heard for or against. All suggestions will be heard and considered. This hearing is being held pursuant to the requirements in the Arkansas Administrative Procedures Act.